

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 11999 151759Z

67

ACTION EUR-12

INFO OCT-01 EA-07 IO-13 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05

SS-15 STR-04 CEA-01 /100 W

----- 025201

R 151750Z JUL 76

FM AMEMBASSY BONN

TO SECSTATE WASHDC 0466

INFO AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USMISSION USBERLIN

USMISSION NATO BRUSSELS

USNMR SHAPE

AMCONSUL FRANKFURT

AMCONSUL MUNICH

AMCONSUL BREMEN

AMCONSUL DUSSELDORF

AMCONSUL HAMBURG

AMCONSUL STUTTGART

CINC USAFE RAMSTEIN

CINC USAREUR HEIDELBERG

CINC EUR VAIHINGEN

USDEL MTN GENEVA

LIMITED OFFICIAL USE BONN 11999

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

E.O. 11652: N/A

TAGS: ECON, EFIN, GW

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 11999 151759Z

SUBJECT: CONCERTED ACTION MEETING FOCUSED ON PRICES

AND UNEMPLOYMENT

1. AS REQUIRED BY THE GROWTH AND STABILITY LAW OF 1976, THE 38TH MEETING OF THE "CONCERTED ACTION" GROUP TOOK PLACE JULY 12. THIS REGULAR GATHERING OF GOVERNMENT, LABOR, AND BUSINESS OFFICIALS WAS NOT MARKED BY ANYTHING MORE NOTEWORTHY THAN THE ESTABLISHMENT OF TWO STUDY GROUPS. ONE GROUP WILL BE CONCERNED WITH THE CAUSAL RELATIONSHIPS BETWEEN PRICES, COSTS AND INCOME DISTRIBUTION. ITS PURPOSE WILL BE TO SHED MORE LIGHT ON PRICE DEVELOPMENTS, ESPECIALLY SIGNALLING INSTANCES OF UNJUSTIFIED PRICE INCREASES. THE OTHER STUDY GROUP IS TO INVESTIGATE THE UNEMPLOYMENT SITUATION, FOCUSSED ON MEANS OF CREATING JOBS AND PROMOTING WORKER MOBILITY.

2. WE WERE TOLD BY PARTICIPANTS THAT THERE WAS NO CONFLICT AT THE MEETING AND THAT BUSINESS AND LABOR VIEWS WERE VIRTUALLY THE SAME RE THE ECONOMIC OUTLOOK AND POLICIES. ROUTINE AND PERFUNCTORY WERE ADJECTIVES USED TO DESCRIBE THE PROCEEDINGS. THE RECENT FLATTENING OF THE UPTURN WAS NOT AN ISSUE.

3. ONE GOVERNMENTAL SOURCE TOLD US THAT THE ESTABLISHMENT OF THE STUDY GROUPS WAS AT THE BEHEST OF LABOR INTERESTS WHO FELT THAT SUCH OPTICS WERE NECESSARY FOR THE RANK AND FILE. NO MAJOR RESULTS WERE EXPECTED TO DERIVE FROM THE STUDY GROUPS; IN FACT IT WAS SPECULATED THAT ALL MENTION OF THEM WILL QUICKLY DISAPPEAR.

4. A BIT MORE SUBSTANCE WAS PROBABLY PRESENT IN THE RELATED TALK OF POSSIBLE NEW GOVERNMENTAL MEASURES AIMED AT THE UNEMPLOYMENT PROBLEM. THE TIMING FOR AN ANNOUNCEMENT COULD BE IN SEPTEMBER, THE MONTH BEFORE THE NATIONAL ELECTIONS. THE MAGNITUDES MENTIONED FOR SUCH A PROGRAM WERE DM 300-500 MILLION, THE FUNDING HAVING TO COME FROM THE FEDERAL BUDGET. THE FINANCE MINISTRY IS NOT TOO HAPPY ABOUT THIS, BUT ECONOMICS MINISTER FRIDERICHS AND LABOR MINISTER ARENDT REPORTEDLY SUPPORT THE PROPOSAL. THE ACTION WILL BE FISCALLY MORE ACCEPTABLE, IF AS IS RUMORED, FEDERAL REVENUE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03    BONN 11999 151759Z

ESTIMATES FOR 1976 ARE SCALED  
UPWARDS BY DM 1 BILLION WHEN THE NEXT FORMAL FORECAST  
IS MADE IN AUGUST.  
CASH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC GROWTH, ECONOMIC STABILITY, MEETINGS, ECONOMIC PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ShawDG  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976BONN11999  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760274-0011  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760757/aaaabxmn.tel  
**Line Count:** 111  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 05 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <05 APR 2004 by greeneet>; APPROVED <12 AUG 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CONCERTED ACTION MEETING FOCUSED ON PRICES AND UNEMPLOYMENT  
**TAGS:** ECON, EFIN, GE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006